

Enhancing Livelihoods of the Poorest of the Poor



"We've started using the river's water for agriculture. The river has been there forever but we didn't use it for our fields. Our Field Worker didn't give us the river, but he did give us the knowledge to use it for cultivation."

Saro Mandi

For women like Saro Mandi, who lives in Cholagora, Purulia, West Bengal, change came in small but meaningful increments. Her tiny plot of land once provided paddy for the family for 3 months; now with better irrigation she also grows a vegetable crop to sell for cash. A cash crop means she can invest in livestock to grow her asset base and save weekly. Weekly savings meetings bring her together with others from her self-help group (SHG) – Cholagora Licher Sarna – ultrapoor women like Saro who are now making big changes in their community.

Incremental and meaningful change is the key to success in Trickle Up's Ultrapoor Program, which works with 3,250 ultrapoor women to build a sustainable livelihood base, knowledge and skills, and connection to community allies and services. Of the eight hundred participants who started with the program in 2009, most exhibited significant improvements in their lives upon completion. However, not all participants performed well, and understanding the reasons for variation in performance is critical for improving the design and implementation of programs that are aimed at the ultrapoor.

Program background

In 2009, with local partner Jamgoria Sevabrata (JS), Trickle Up supported 300 participants from communities in Purulia, West Bengal. Designed to reach the very poorest of the poor, the program built on lessons learned from Trickle Up's involvement in the CGAP-Ford Foundation Ultrapoor Graduation Project. Recognizing that the ultrapoor are too vulnerable to benefit from microcredit, the Graduation Project seeks to build on BRAC's ultrapoor programs in Bangladesh and create a common methodology for "graduating" the ultrapoor out of extreme poverty. JS was one of the nine Trickle Up partner organizations working in West Bengal, Bihar, Jharkhand and Odisha.

Ultrapoor families in India, as elsewhere, confront the largest obstacles in the climb out of poverty. Their ability to participate in the economy

many vulnerable women struggle at all levels of poverty, but particularly so at the deepest levels. Most do not know how to sign their name, are unaware of basic rights, and, with men in the household controlling the meagre assets, struggle for decision-making power.

Safety nets such as food aid and cash transfers help stave off crisis, but on their own, do not build the social and financial base necessary to break out of extreme poverty – nor do they provide women with greater agency. Livelihood development programs aim to reach beyond a safety net by significantly increasing a household's income-generating capacity, but are more challenging to implement with ultrapoor families than the less poor. Living day-to-day with virtually no productive assets or savings, facing numerous sources of vulnerability and frequent emergencies, ultrapoor families require a more complex Intervention in order to triumph over the many factors that can undermine progress.

Program model

Women were selected for Trickle Up's program using participatory community mapping and wealth ranking exercises to identify ultrapoor families. This was followed by household-level verification, through which individual women were identified. Despite their obvious need for support, JS staff had to return many times to convince them to join the program. Years of deprivation had made them wary and highly risk averse.

Because of the isolation of the ultrapoor women selected, the three-year Intervention started by connecting the women to support systems, including two coaches (field and health worker) who would mentor them throughout the project and a self-help group (SHG), consisting of 10-15 participants. The groups met weekly and were encouraged to begin savings, taking small loans (initially for consumption and eventually for productive activities), and creating mutual support mechanisms.

The participants and their coaches began a planning process, in consultation with the families and other SHG members to identify viable livelihood activities. This was the first step to develop a broader livelihood strategy to reduce their reliance on sporadic wage labour (the primary income source of 79% of participants at project inception). The first few activities were made possible by seed-capital grants to purchase productive assets and training was tailored to the livelihood activities they had chosen. Most chose animal husbandry and agriculture, but some chose vending/small business. All received a stipend during the "hungry

government health and social support schemes (only 44% had Below Poverty Line cards), and were visited monthly by health workers who provided training in nutrition, hygiene, maternal and child health and other preventative measures.

The programme was deemed to generally have been successful. Participants increased their net assets 22-fold during the program, to an average of Rs. 18,690 (adjusted for inflation) from a baseline value of Rs. 826. Eighty per cent diversified their livelihood activities beyond those supported directly by the program; and all participants were regularly attending SHG meetings. All participants at end of project had at least two cooked meals a day, compared to baseline where 54% ate only one cooked meal a day.

However, variation in performance did occur, both at the individual level and between SHGs, and two groups in particular performed poorly. Understanding the reasons for variations in performance is critical to improving program design and implementation, and these are explored below through the experiences of two different groups of women – one that was average and one that performed poorly.

The case draws on data from baseline and end-of-project surveys, monthly monitoring reports, periodic qualitative case studies of participants and groups, and an end-of-project qualitative evaluation that took place in six villages, and included 24 in-depth semi-structured interviews, nine focus group discussions with participants, and five focus group discussions with other community members.

Village 1: Cholagora

The performance of Cholagora Licher Sarna SHG was fairly representative of the 26 groups supported by JS. The hamlet of Cholagora consists of 31 households, all of which are from the Santhal Scheduled Tribe. Ten of the poorest of these households were chosen to participate in the program. Eight performed well and met most SHG and individual targets, including achieving a diversified livelihood base, and significant assets and savings.

Following the completion of the program, SHG members generally believed their lives were much improved. Prior to participation, they had been heavily dependent on irregular agricultural day labour and seasonal migration, since the land that they owned was mostly un-irrigated undulating upland that is poorly suited to cultivation and could provide an average of only four months of consumption for the household.

paddy crops were also improved through training on the system for rice intensification (SRI). Vegetable crops were generally lucrative, and some participants used profits to lease new land. Two invested their grants solely in livestock, but most used goats and bullocks as secondary assets for diversifying their livelihood base, once they had made profits in agriculture. Some, like Saro Mandi, purchased land from vegetable cultivation. Participants were optimistic: "We don't have scarcity;" "We have money;" "We are feeling good," they said in summing up their three years in the program.

All but two participants had ceased to depend on seasonal migration in the lean season, but both cases were due to shocks that had decapitalized their households early in the project. One lost her husband when a thorn in his leg turned septic, and the other her mother-in-law. Despite continuing to be forced to migrate during the lean season, their hardship was mitigated by support from other group members.

Severe drought in the year after they commenced was a setback for all participants, since it occurred before the new livelihoods had been fully established, forcing everyone to migrate. However, program participants were less severely affected than others in the community as SHG members were able to replace the failed paddy crops with food purchased from sale of their winter vegetable harvest and livestock. At the end of the project they believed they would not need to migrate again, as they had SHG assets, pump sets for future droughts, and group solidarity in time of need.

Program participants claimed that their dietary patterns had changed: "Earlier we didn't have [enough] food so we used to cook maize in a lot of water and fill our stomach with that. But now we have vegetables, potato and rice for most of the time." They had seen improvements in both the quantity and quality of food: "We can have fish and meat now in our menu." They had also amassed stocks of wheat and rice to get them through the year. Saro Mandi stated:

I've created a buffer food stock in my house to cope with the lean season. The rice lasts for eight months and for the rest of the year I purchase rice from the money I get from selling vegetables. Before, from upland paddy, I only got about a month's worth of paddy.

Such statements reflected overall program results: 93% of households reported that adults had missed meals due to food shortage prior to the program, compared with 8% at the end.

conditions of program participants appeared to have improved more than those of others. End of project consultations with men whose households had been more food secure than the program participants' due to their greater ownership of land — the reason why they had not qualified for the program — suggested that the participants' ability to invest and manage winter vegetable crops and other assets had improved their wellbeing above their own. These other households were still limited to growing paddy and maize monsoon crops. And two ultrapoor households that had refused to join the program were continuing to depend on seasonal migration, thus also reducing the benefits that they would have received from the government schemes.

Participants who were using mosquito nets and boiling drinking water felt that they were falling ill less frequently; two years without migration meant more school attendance for children and participants had more to invest in education: Saro Mandi had been able to keep her son in school two years past class eight and cover Rs. 100 per month for tuition. Participants were able to repair their houses, buy utensils, and jewelry and clothing that did not bring them shame. "These are things "you can see," stated one participant proudly.

Group members viewed the SHG as protection from moneylenders and security during future hard times — "we have money in the SHG box which we can use in emergencies" — and a financial source to continue to grow and diversify their livelihoods. The SHG would also allow them to access bank loans.

But the SHG was far more than an informal bank. It was also a vehicle to make their voices heard in their community and beyond. Group members discussed the need for an Integrated Child Development Services centre in the village and collectively prepared and submitted an application, with help from the field worker. The application was accepted and a centre was soon established. Saro and other SHG members also visited the Panchayat together with demands for food, rations, and work through MGNREGS. "We didn't know that we would get work if we put pressure in Gram Sansad meetings", said one member, Parvati Murmu. But "now after putting pressure in Sansad we are getting work for around 50 days while earlier it was only seven days".

Of course, not everything worked out. Many of them still did not have a BPL card, which they ascribed to not having the right political affiliation

Just as importantly, the women's status had improved within their households. Field staff were instructed to ensure that women were at the center of the livelihood planning process, (while also involving husbands), and the investment of grants had to be for productive activities in which women could play a major role. This was intended to give women significant influence over consumption and future investment of profits. Participants reported that their involvement in household management and decision-making had increased. Some also reported less domestic violence.

Village 2: Paisagora

In contrast to the Cholagora Licher Sarna SHG, many of the ten members of Rengernachar SHG, in Paisagora village (also in Manbazar II block), struggled. Rengernachar was one of two groups out of the 26 whose limited progress against key performance benchmarks led program staff to believe that the group was unlikely to continue independently after the program. Also a largely Santhal tribal community, Paisagora is located 15 km from the nearest market town. This village of approximately 175 households had also seen general improvements including receiving Jangalmahal benefits.

Three participants saw significant improvement during the program due to vegetable cultivation and increased paddy harvests following SRI training, but their land was near the river, making success easier. Before the program their diet was largely rice water, but they were soon eating normal rice with vegetables grown in their own kitchen gardens (an outcome supported through training) and they used some of the profits from the first crop to jointly invest in a pump, enabling them to cultivate throughout the year, rather than only in the rainy season. One woman earned enough to repair her house and buy a bicycle, along with further livelihood investment.

The other participants invested their grant money on goats. However, profits were lower than expected. Participants complained that they could not sell their goats before the rainy season because the traders coming to the village were offering low prices: Rs. 500-700 each. When the rains came many goats died from an outbreak of goat pox. When the goats started dying, one participant mentioned "We did not think of any other diversification option and staff did not facilitate this either." and many of the participants ended up reinvesting in goats with their second grant.

of employment and only receiving two to three days of work from MGNREGS. Along with having earned limited income, they tended not to have land for kitchen gardens. The consumption of green vegetables that was encouraged by field workers depended on their ability to purchase from the market, which they could generally ill afford. At the end of the project, they were still consuming rice water and had almost no vegetables except potatoes. They ate pulses only once a week.

The condition of the SHG itself was also of concern. All participants had amassed savings, though seven out of ten were below the average of Rs. 4400, and most of the loans from the SHG were used for health purposes, rather than productive investment. However, those who had engaged in agriculture were, again, faring better on this account too. Basanti Mandi took a loan from the SHG to buy a goat, potato seeds and books for her children. She was expecting to sell her goat for Rs. 2500.

When asked about the future of the SHG, a number of participants stated that they would continue to save from earnings, even from wage labour, as a cushion for emergencies. Speaking for this group, one woman said, "at home we cannot keep money and have to spend it on daily needs." Another responded that she was only continuing because the field worker expected it. However, some non-participant community members believed the Rengernachar SHG had freed members from the village moneylenders and formed their own group to accomplish the same.

The participants exhibited other positive changes that can reasonably be traced to program inputs, including improved hygiene practices and increased usage of mosquito nets. And, interestingly, non-participant community members generally appeared to be more positive about the group than members, claiming that relatively speaking their food security had improved. However, many participants appeared unsure about the future, lacked a clear vision of a livelihood strategy to escape extreme poverty and felt a need for more guidance, as suggested by Jabarani Tudu, who said, "My goats are too old to be sold at a good price. Please suggest what I can do with these. I don't have any knowledge."

Why did most groups perform well, but some did not?

Reasons for variation

Livelihood planning processes

Livelihood planning discussions between SHG members and field staff started early in the program cycle and were expected to be continuously revisited and fine-tuned throughout the program. Careful facilitation of

The sequencing of activities is usually vital. Participants are expected to gradually build up from activities that support food security to higher yielding but higher risk and longer-cycle activities that can create a strong and diversified livelihood base. In facilitating planning processes, field workers must also consider technical questions – does the household have the resources to manage a large herd of goats, for example, and how will they survive in the time it takes for it to bring in income? Will interim coping strategies such as daily wage labour or migration negatively impact the profitability of certain activities that require continuous attention? Furthermore, field workers are expected to veto Trickle Up funded activities in which women themselves cannot be active participants. Balancing these competing demands of the livelihood planning process requires skill, patience and adaptability.

In Cholagora, this process appears to have worked well. Participants' experiences over the three-year period exhibited a sequenced progression of livelihood activities that were logical and cumulative. Investment in agriculture, for example, created profits that allowed further investment in infrastructure such as pumps, which enabled the purchase of livestock, which minimized risk in times of drought, with some diversification into vending activities such as fish selling. Furthermore, participants appeared to internalize such planning processes: they had concrete plans for what they would do next, and appeared motivated and optimistic about the future. As one participant stated, "When you have money, ideas come to you." They knew that there eventually would be droughts and sickness, but most felt that their social, financial and physical assets would enable them to overcome such shocks. In other words, their efforts were not likely to be for nothing.

In Paisagora, however, the planning process appears to have been problematic. Many participants claimed to have felt pressured into investing in goats, though this may be partly hindsight (it is easier to feel that a decision was not one's own if it did not work out well). The overall lack of arable land available to participants greatly narrowed investment decisions. However, the field worker was unable to envision any alternative except goat rearing, and this itself he approached with ambivalence. Goat rearing was seen as poor substitute for the agricultural improvement that was this particular partner organization's strength. This ambivalence appears to have negatively impacted the livelihood planning process and weakened participants' sense of ownership of decision-

term strategy of diversified livelihoods. In the case of Paisagora, this bias toward tangible assets mitigated against some other activities, including vending, for which accumulation of visible assets was less central. A desire for security and status should not be dismissed – they are both important intended program outcomes. But these factors, when given too much priority on their own, appear to have crowded out a deeper analysis and understanding of how such assets would contribute to forging a pathway out of poverty.

In understanding this situation it is important to note that not all participants who invested in goats did poorly. In fact across all 300 participants supported by JS, those who raised goats performed comparably in terms of savings and assets to those who invested in agriculture and a mix of activities, although the income they earned during the program period was generally lower. Monitoring data suggests that those participants who followed all the training guidelines (including providing vaccinations, a goat shed, appropriate food) did reasonably well. Furthermore, about one in five of all JS participants chose to invest in goats from their own profits and SHG loans, as they saw goats as a worthwhile investment. And in Paisagora itself, consultations with other, slightly better off and more educated, community members suggested that goat and other livestock rearing were appropriate activities as grazing ground was abundant. While they acknowledged the challenges (goats are prone to diseases and there is no government veterinary support in the village) when these villagers were explicitly asked what they would do if they had no land, they said they would invest in goats.

So the question is why did quite a few participants from this SHG not follow the training? It is here that buy-in during the planning process, or lack thereof, appears to have been critical. Motivation comes with a belief that efforts result in a worthwhile payoff. A significant challenge of working with ultrapoor people is that they have been trapped in cycles of poverty in which frequent shocks and low levels of resilience can make it exceedingly difficult for people to envisage a path out of poverty. Without a careful, on-going, planning process that helps to project such a future and a field staff that are united in and enthusiastic about a strategy, the opportunity provided by an injection of productive assets can easily be lost to participants whose primary preoccupation has long been meeting

stipends of Rs. 126 per week during the first lean season to enable them to survive without migration, and hence grow their assets. This was particularly important for those who invested in longer-cycle activities such as goat-rearing, for whom many months would pass without seeing a return on their investment. But although their activities had not yet yielded profits, the women were motivated by seeing others doing well – it helped them believe that their effort would pay off. These goat-rearers also benefitted from the capital circulating in the SHG fuelled by early profits of others, as they could take loans before their activities provided income. So just as livelihood diversification at the household level is important, this mix of activities within the group created dynamism, with the success of some members providing support and a positive example to others.

Members of the Paisagora group also engaged in a mixture of activities. However, the predominance of goat-rearing within the group, combined with a livelihood planning process in which messages were communicated that raising goats was an activity of last resort, meant that participants did not project the progress of those engaged in agriculture as a likely predictor of their own movement out of poverty. (See Annex 1 for a breakdown of the relative investment versus income by activity for both groups.)

Participant-staff dynamics

Staff performance, as in any context, varied. However, there was considerable variation in performance between different SHGs supported by the same staff members, and some of this variation did appear to be associated with staff performance vis a vis those particular groups. Many of the participants in Paisagora were critical of the field worker, believing that his guidance had resulted in investment plans that did not reflect their interests. Participants from other groups overseen by this field worker, however, were generally more positive about the support and guidance that he had provided.

So why would staff performance vary between groups? When this question was posed to staff members themselves, one simply answered “we are human” and explained that when a group or individual is doing well, field workers themselves are motivated by their interactions. This fosters a virtuous cycle in which engagement with participants is rewarded with both gratitude and more positive outcomes. However, the opposite also occurs, and a lack of initial success can build resentment and de-incentivize the close engagement required to guide participants on an

not detailed, and the visits often did not involve inspection of assets to monitor and demonstrate best practices. Working with people who are demotivated is itself demotivating.

Conclusion

A combination of factors are required to foster the virtuous cycles required for people in ultra-poverty to confront the multiple barriers they face in building sustainable livelihoods. These barriers include limited financial and productive assets along with weak social capital and limited technical skills. They also include the social and psychological legacy of livelihood strategies that are largely oriented to meeting survival needs, resulting in a low capacity to absorb risk and envisage paths out of poverty.

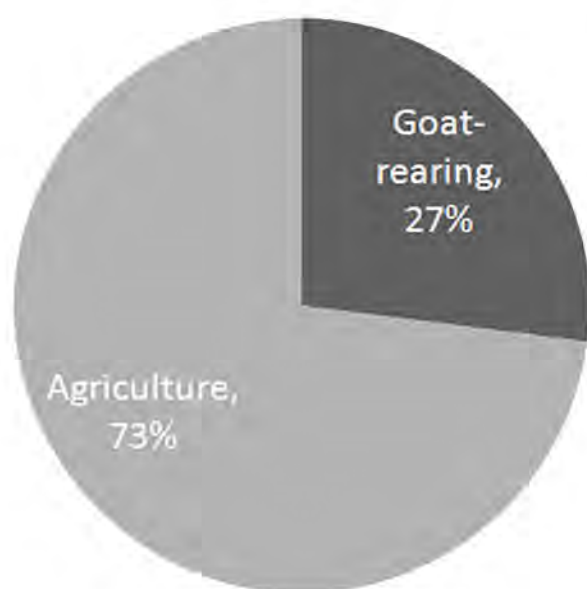
We should return to Saro Mandi's statement, that the field worker did not give them the river but gave them the knowledge to use it for cultivation. After all, what was stopping these participants from using it before? It is unlikely that they had no exposure to people who had irrigated their land, and while the capital outlays would have been difficult to come by for these families, access to small lump sums of cash from migration was not impossible, despite most such funds being used to pay off debts. However, the barriers were not only a lack of technical skills and capital, as substantial as those were. Ultrapoor households such as Saro Mandi's also needed the breathing space to invest in such opportunities and the support to take risks and change their mindset about what is possible.

Even with a holistic program, with numerous inputs and close support and monitoring, one significant obstacle, such as a death or an alcoholic or unsupportive husband, can seriously undermine progress. However, situations in which groups of participants perform poorly tend to be the product of a combination of factors. Bad luck, such as poor seasons, and context, including availability of good land and access to markets, no doubt play a role. But factors related to program design and implementation are also key, and affect the impact of adverse conditions. This includes the ability to strategically trigger early successes by considering livelihood selection in the context of both the household and SHG, and the key role that livelihood planning processes play. Both these factors, together, help provide the motivation and hope that come with

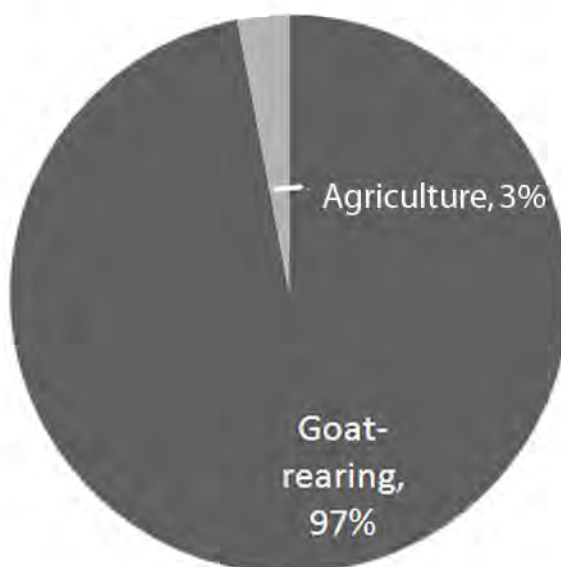
participants, some of which may affect future livelihood performance. Issues need to be identified early on and steps taken to remedy problems, including the mere lack of triggers to break the cycles that keep people trapped in poverty. Based on Trickle Up and Jamgoria Sevabrata's experience, such virtuous cycles can be triggered with carefully sequenced program inputs, appropriate monitoring and fostering positive group dynamics – this did occur in 24 of the 26 SHGs supported. However, by understanding the experiences of those that did not perform well, Trickle Up has sought to improve the performance of all.

Annexure 1: Value of Grants vs. Value of Income by SHG *Cholagora SHG*

Grant Utilization

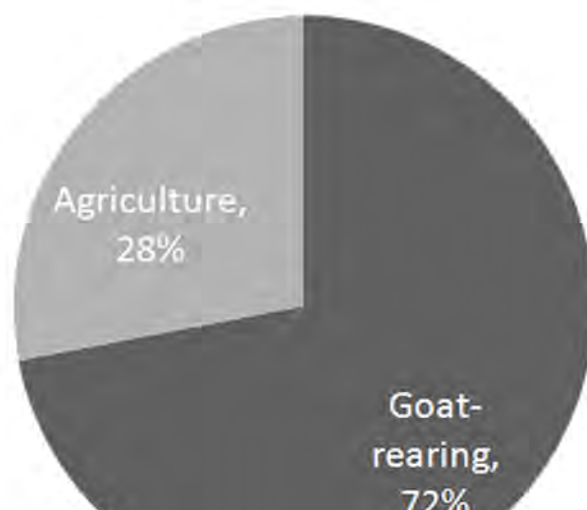


Income Sources at End of Project



Paisagora SHG

Grant ntilization



Income Sorces at End of project

